

B. Remarks

In the above-noted Office Action, claims 5 and-7 were rejected under 35 U.S.C. § 112. Claim 5 was also rejected under 35 U.S.C. 102(e) as being anticipated by Boesch et al (US 5,897,621). Claim 5 and 7 were rejected under 35 U.S.C. 103(a) as being unpatentable over Boesch et al., over Potter et al (US 5,787,402).

With this amendment, claim 5 has been amended. Applicant's amended claim 5 to add limitations brought forth is the specification.

With regard to the rejection of claim 5 under Boesch et al, Applicant respectfully submits that claim 5, as now presented in amended form, is not anticipated or made obvious by Boesch et al, singularly or in combination with the other cited reference. Specifically, Boesch is to a totally different system than Applicant's invention.. Boesch has a customer user, a merchant user, a network and a server. The server is most akin to that of an outside entity such as a bank. The server insures that the price that the customer is willing to pay and the price that the merchant is willing to accept is within certain parameters mandated by the exchange requirement. There is no teaching in the claims of Boesch wherein the credit worthiness of the customer, the merchant and the credit worthiness of an entity with an interest and trading authority over merchant and customer are combined to bring forth a more favorable exchange transaction for the parties, as Applicant's invention provides.

The server entity of Boesch does not bring itself into the transaction to help the credit worthiness of the customer and the merchant to lower the transaction costs, but instead often profits by it. An increase in size or credit worthiness of the server entity of Boesch is irrelevant in achieving any savings for the merchant or customer and in fact can often be disadvantages to both parties if the sever entity has monopoly power.

With this amendment, Applicant has shown wherein the Examiner's rejection is respectfully traversed. Applicant respectfully requests that a Notice of Allowance be issued. Although Applicant respectfully submits that the application is in condition for allowance, Applicant is open to any suggestions by the Examiner which may further enhance the clarity of the uniqueness of Applicant's invention over the cited art. If the Examiner comes to the realization of the patentability of the present invention based upon the present amendment or of a potential amendment of Examiners initiative, the Examiner is herein granted the power to make such amendment and to charge any additional extension fee required to the account which is being currently charged for the Petition of Extensions for the current Amendment

Respectfully submitted,



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